



DEPARTMENT OF CONSERVATION

DIVISION OF RECYCLING

INDUSTRY SERVICES BRANCH

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November 15, 2006

NOTICE

To: All Retail Dealers Selling Beverages in California

Subject: Responsibilities of Retail Dealers under the Beverage Container Recycling and Litter Reduction Act.

The purpose of this notice is to inform all retail dealers (dealers) of changes to the Beverage Container Recycling Program (Program) resulting from the passage of Assembly Bill 3056 that will become effective January 1, 2007. Additionally, this notice provides information that will assist dealers in meeting their responsibilities under the California Beverage Container Recycling and Litter Reduction Act (Act).

CRV BEVERAGE CONTAINERS NOW WORTH MORE MONEY

On January 1, 2007 CRV paid to consumers will increase to 5¢ for beverage containers under 24 fluid ounces, and 10¢ for beverage containers 24 ounces and greater. The redemption payment amounts made by beverage distributors will remain at 4¢ and 8¢ respectively. Beginning on January 1, 2007, State certified recycling centers will be required to redeem empty beverage containers at the new refund rates.

If you choose as a dealer to charge CRV to customers on eligible beverages during this period, CRV is still 4¢ for each beverage container less than 24 ounces, and 8¢ for each container 24 ounces and greater.

Dealers are encouraged to make sure that invoices from their beverage suppliers correctly identify the amount of any redemption payment imposed on beverage containers as 4¢ for containers under 24 ounces and 8¢ for those 24 ounces and greater.

REMINDER REGARDING GENERAL DEALER RESPONSIBILITIES

Dealer responsibilities fall in the following general areas: (1) posting signs identifying the nearest certified recycling center; (2) shelf labeling and advertising for CRV beverages; (3) charging customers CRV on beverages; and (4) meeting unserved zone dealer requirements.

(1) Posting Signs

All dealers must post a clear and conspicuous sign at least 10"x 15" at **ALL** public entrances to the dealer's place of business. If there are two entrances, two signs are required. This sign must indicate the name and address of the nearest State certified recycling center that redeems all empty beverage containers and the Department's toll-free telephone number, 1-800-RECYCLE. If you already have a sign, occasionally check to

see if the information your sign displays is current. If you are not sure of the nearest certified recycling center, please call 1-800-RECYCLE. If you would like a complimentary recycling sign from the Division of Recycling (Division), please call 1-800-RECYCLE or the Division's Dealer Services Section at (916) 322-0195 or send email to dealersigns@consvr.ca.gov.

(2) Shelf Labeling and Advertising

All dealers with a location size greater than 4,000 square feet of sales and storage area are required to display CRV as a separate component of the beverage container price on all advertising and shelf labels. The purpose of this is to enable the customer to identify how much CRV they are being charged. For example, a six-pack of 12-ounce soda costing \$1.99 may be displayed as:

$\$1.99 + \text{CRV}$ or $\$1.99 \text{ plus } 24\text{¢ CRV}$ or $\$1.99 + 24\text{¢ CRV} = \2.23

Important: A dealer should **not** combine the sales price of the product and CRV as one single price on their shelf labels or advertising. An unacceptable example would be "\$2.23 including CRV".

(3) Charging CRV

Dealers are encouraged to show the CRV payment on eligible beverages as a separate item on their cash register receipts. The CRV portion is subject to sales tax **only** if the sale of the beverage is subject to sales tax. CRV is 4¢ for each beverage container less than 24 ounces, and 8¢ for each container 24 ounces or more for beverages sold in an aluminum, glass, plastic or bimetal container.

(4) Dealer Requirements in Unserved Zones

A certified recycling center is required to be situated within a "convenience zone." A convenience zone is the area within one-half mile radius of a supermarket or in a rural region, within 3 miles of a supermarket. Any dealer located in a convenience zone that is not served by a certified recycling center is classified as an "unserved dealer." If you are located in a zone and it becomes unserved, you will receive a notice from the Division with further instructions about redeeming empty beverage containers in your store. If you have further questions about how this may affect your operation, please contact the Division's Dealer Services Section at (916) 322-0195.

Additional Information

In an effort to assist you with questions you might have about the Act, additional information is made available to you on the Department's website at www.consvr.ca.gov. The website also has a list containing a sampling of beverages that are included in or excluded from the Act, frequently asked questions (FAQs), and other notices and information pertaining to dealers. If you would prefer to speak with a Division representative, please call 1-800-RECYCLE and your call will be directed to the appropriate staff. If you have questions regarding this notice or specific questions regarding dealer compliance, you may also contact the Division's Dealer Services Section at (916) 323-3263.

Sincerely,

Chuck Seidler
Acting Assistant Director
for Recycling